GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1999
ANSWERED ON:03.08.2001
VALUE ADDED TAX SYSTEM
BHIM PRASAD DAHAL

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have decided to appoint a Committee of the State Finance Secretaries and Union Finance Ministry officials to work out a formula to compensate the States of revenue losses incurred on account of introduction of value added tax system ;

(b) if so, the details thereof ; and

(c) by when the committee is likely to be submit its report ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) Yes, Sir.

(b) A Committee under the Chairmanship of Additional Secretary (Revenue)with the following Members has been constituted :-

(i) Finance Secretary , Gujarat

(ii) Revenue Secretary, Andhra Pradesh

(iii) Finance Secretary, Maharashtra

(iv) Finance Secretary, West Bengal

(v) Finance Secretary, National Capital Territory of Delhi

(vi) Finance Secretary, Uttar Pradesh

(vii) Advisor, Planning Commission

(viii) Economic Advisor, Department of Economic Affairs

(ix) Joint Secretary (Narcotics Control Bureau & Administration), Department of Revenue

(x) Joint Secretary (Tax Research Unit), Central Board of Excise & Customs

(xi) Deputy Secretary (Budget), Department of Economic Affairs

(xii) Director (Sales-tax), Department of Revenue The Committee is to develop clear and measurable criteria for judging revenue loss, if any due to introduction of VAT and is to decide about the manner of compensation as well as quantum of compensation.

(c) 30th September, 2001